#### **Vibrant Community Initiative**

#### Webinar Instructions:

- **1. Keep phone muted** [\*6] during the webinar
- 2. Use the chat feature to ask questions. The questions will be compiled after the webinar, answered, then distributed by email to participants, along with a copy of the presentation.

Virginia Department of Housing and Community Development

#### Agenda

How to Apply: Vibrant Community Initiative

 Centralized Application & Management System (CAMS)

### **VCI Funding**

Source	Amount
CDBG	\$2 Million
HOME	\$1 Million
Housing Trust Fund	\$1 Million
VHDA	\$500,000
TOTAL	\$4.5 Million

 CDBG, HOME, HTF, VHDA, and other potential funding

- Two three projects
- \$2.25 million -maximum request –Non CDBG entitlement
- \$1.25 million -maximum request –CDBG entitlement
- Must leverage other federal, state, and local resources
- 25 percent local match requirement (based on request)

#### Vibrant Community Initiative (VCI)

- Year three (2017 2018)
  - 2016 2017 –one project funded
  - 2015 2016 –two projects funded
- Combines multiple DHCD funding sources and VHDA resources
- To fund transformative local/regional projects
- To create larger local/regional impact

#### What is a transformational project?

- A large multiple-faceted project
- Focus on economic impact
- Must leverage an existing community-driven planning process
- Project readiness is key
- Opportunity for planning and technical assistance for good VCI concept project to prepare for future VCI rounds

#### What is a transformational project?

- Must include more than one component
- A component is a smaller project that is under common contract/ownership/financing (e.g., multiple family rental project)
- Must include a housing component
- Any VCI-assisted housing component must include at least some affordable housing (50 – 80 percent or below AMI)

# What kind of projects are we looking for?

- Project can be located anywhere within the state of Virginia
- Ideally we would like both urban and rural projects
- Project should contain a range of activities such as neighborhood revitalization, downtown redevelopment, economic development, homeowner rehabilitation, down payment assistance, rental project development, water/sewer, and/or other infrastructure.

### **Project Caps**

Project Location	VCI Project Cap*
CDBG Non-entitlement Localities	\$2,250,000
CDBG Entitlement Localities	\$1,250,000

#### How can VCI be used in a project?

- VCI supports one or more of the smaller project components
- VCI funding for community development activities (non-housing) is limited to CDBG :
  - VCI CDBG <u>limited</u> to CDBG non-entitlement communities
  - CDBG entitlement must use other resource to fund these components

#### How can VCI be used in a project?

- VCI housing assistance must be structured as a loan
   This is not a grant.
- VCI assistance will support specific components of transformational project
  - Contracts and negotiation will be specific to these smaller components
  - Contracts will be structured to meet applicable federal and/or state requirements

### Vibrant Community Initiative (VCI):Richmond Church Hill North/ East End Revitalization

- Richmond City
- \$2.5 award (\$22,324,030 total costs)
- Mixed-income, mixed-tenure, multi-phased
- Leveraging site of Armstrong High School
- Build-first approach to replacing older public housing
- Includes mixed-income family, senior rental, homebuyer
- Larger project includes gateway and economic corridor improvements
- Substantial local effort
- Diversity of funding

## Richmond Church Hill North/ East End Revitalization: VCI Funding

- Richmond City is a CDBG entitlement locality
  - Can't use VCI CDBG funding
  - These components funded with other resources
- Senior 1B –multi-family affordable rental
  - VHDA
  - DHCD HOME
  - Plus other non-VCI resources
- Homeownership –mixed-income new construction
  - DHCD HOME
  - Plus other non-VCI resources

#### Vibrant Community Initiative (VCI): Old Price's Fork Comprehensive Revitalization Project

- Montgomery County (Blacksburg area)
- \$2.5 award (\$7,800,000 total costs)
- Adaptive re-use of old school property
- Existing structure to include senior rental housing, community kitchen, farm-to-table restaurant, business incubator, and market)
- New construction mixed-income rental on property
- Substantial local collaboration
- Diversity of funding

#### Old Price's Fork: VCI Funding

- Multiple Family Mixed Income Rental
  - VCI VA THF
  - Plus other non-VCI resources
- Brewery/market/restaurant
  - VCI CDBG
  - Locality is the grantee
  - Local loan to the developer
- Small Business Incubator
  - VCI CDBG
  - DHCD BEE

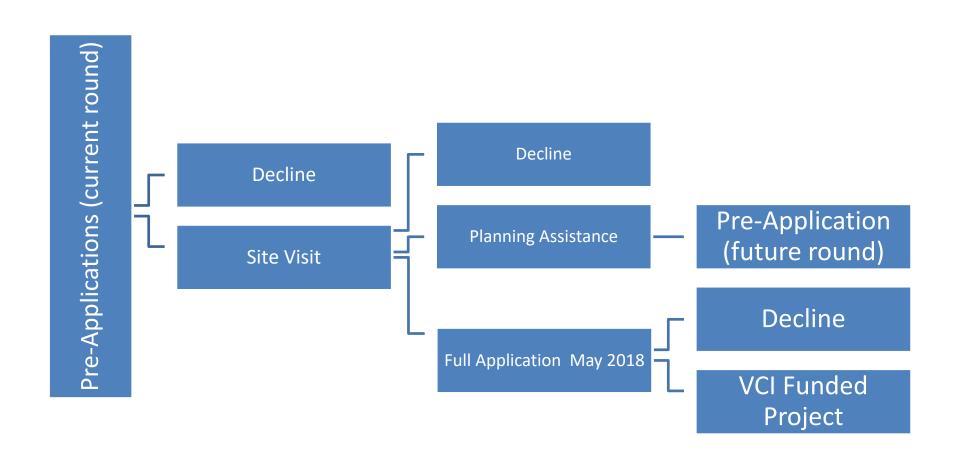
### Old Price's Fork



#### Vibrant Community Initiative (VCI)

- Open process with pre-application accepted by January 31, 2018 deadline
- DHCD will review pre-applications
- Best, most promising (meeting pre-application scoring criteria) of pre-applications will be invited to submit full applications
- Tentative full application deadline in May 2018

#### **VCI Process**



#### **VCI** Leverage

- Pre-application reviews will favor projects that leverage other federal, state, and local resources
- Leverage may include resources used for planning, coordination, and implementation
- Leverage should be reflected in the application "other funding"

### VCI Match Requirement

- Projects must include a 25 percent match in locally controlled resources
- Match amount = 25 percent of VCI request
- May include locally controlled CDBG, HOME, fee waivers, local government resources, donated real property and/or other local funding (e.g. foundation)
- Will consider the value of a loan requiring repayment

### **VCI: Eligible Applicant**

- Entitlement or non-entitlement localities
- Housing developers (nonprofit and for-profit)
- Housing authorities
- Local and regional housing, community, and/or economic development organizations
- Good local process and partnerships are key
- Looking for comprehensive community projects

VCI funding may support the following eligible affordable housing activities:

- Homebuyer Direct Assistance, down payment and closing cost assistance (targeting 80 percent or below AMI)
- Homebuyer Rehabilitation (targeting 8o percent or below AMI)
- Homebuyer New Construction (targeting 8o percent or below AMI)

VCI funding may support the following eligible affordable housing activities:

- Homeowner Rehabilitation (targeting 8o percent or below AMI)
- Rental New construction (targeting 60 percent or below AMI)
- Rental Rehabilitation (targeting 60 percent or below AMI)

VCI funding may support the following eligible economic development activities targeting low/mod income:

- Job Creation/Retention
- Site Redevelopment
- Business Readiness
- Business District Revitalization

VCI funding may support the following eligible community facilities/services activities targeting low/mod income:

- Water/sewer
- Health Clinics

# VCI Pre-Application Selection Criteria

- A plan and initial groundwork is in place on a comprehensive project that includes at least a housing component
- Evidence that the project has solid local regional support
- Partnerships in place to execute project
- Demonstrated success with similar project
- Demonstrated capacity (financial and development team)

# VCI Full Application Selection Criteria

- By invitation only
- Criteria:
  - Alignment
  - Need
  - Project Readiness
  - Capacity

# VCI Full Application Alignment Criteria

- Consolidated Plan
- Order Number 32: Advancing Virginia's Housing Policy
- HOME Investment Partnership
- Community Development Block Grant

# VCI Full Application Alignment Criteria

- Preservation of existing affordable rental units
- Preservation of existing affordable homebuyer units
- Creation of new affordable rental units
- Creation of new affordable homebuyer units
- Creation of integrated community housing units targeting special needs population

# VCI Full Application Alignment Criteria

- Fair housing and communities of opportunity
- Employment/infrastructure/community services that primarily benefit very low/low/ and moderate income households
- Blight removal as a part of a larger revitalization project

# VCI Full Application Need Criteria

- The degree to which the project is designed to meet an identified local need
- Must be demonstrated by a local market analysis or needs assessment
- What is the need, how do you know, and what is the expected result?

# VCI Full Application Project Readiness Criteria

- Review of project status, timeline (s), challenges and barriers
- Assessment of costs and status of other funding commitments
- Level of stakeholder involvement in needs assessment, planning, and design

# VCI Full Application Capacity Criteria

- Applicant, partners, and development team
- Existing development, project management, and financial capacity
- Must describe existing resources for project planning, coordination, and implementation
- Should identify project management gaps/needs

### **VCI Timeline (Tentative)**

Application Stage	Target Date	
Release of guidelines and pre-application materials	November 10, 2017	
How to Apply Workshops	November 29	
Pre-application due date	January 31, 2018	
Full application due date	May 2018	
Contract negotiations	May – July 31, 2018	
VCI projects under contract (goal)	August/September 2018	

#### VHDA Funding Sources

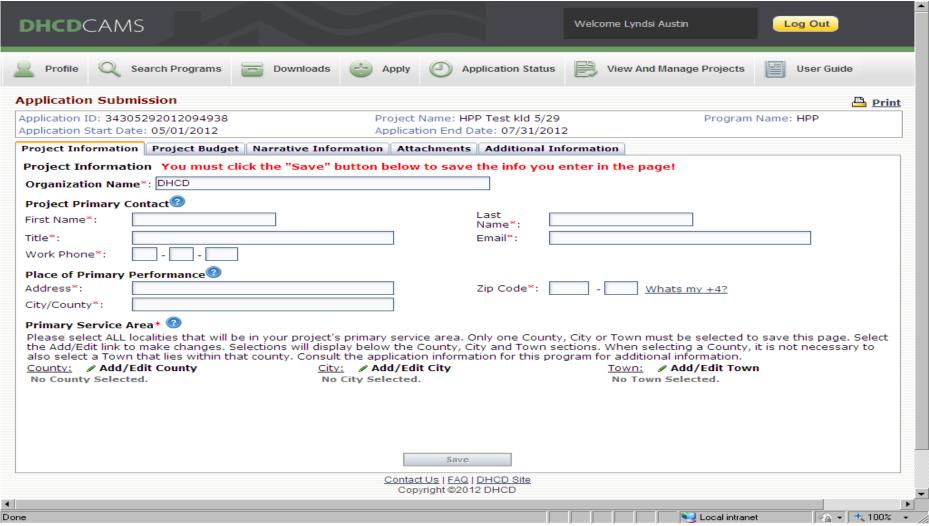
- Homeownership
  - Down payment assistance and lower interest rates
- Rental
  - Predevelopment
  - Taxable and tax-exempt financing
  - SPARC
  - LIHTC

- Mixed-use/Mixedincome
  - Permanent loans
- REACH Resources
  - Grants supporting other affordable housing
- Contact:
  - Community Outreach:
     Chris Dimotsis
     chris.dimotsis@vhda.com
     804-343-5596

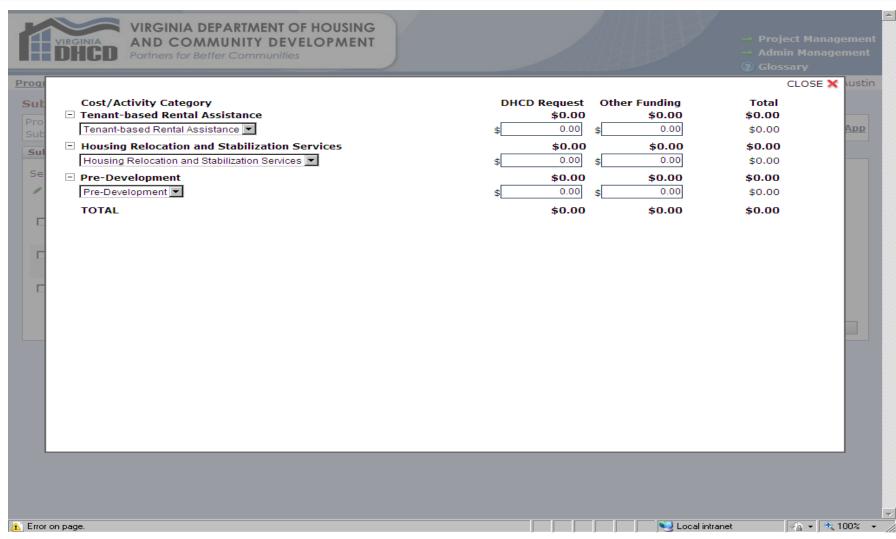
#### **CAMS** Tips

- All work in CAMS should be frequently saved
- Please note that Chrome is the recommended browser
- Work in Word and copy and paste into the CAMS text boxes
- Use the "Print" tab at the top of the page and review them for completeness and accuracy
- The text box will only accommodate text responses. Graphic, tables, charts should not be pasted into the narrative section; instead, include the information in a separate attachment

#### **Project Information**



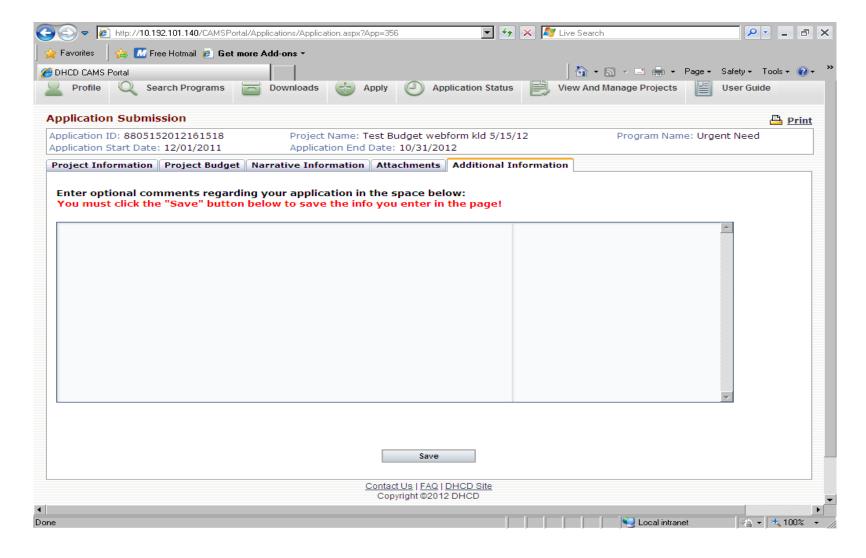
#### **Project Budget**



#### **Attachments**

Title 1:	Implementation Timeline (required)	Temp.: Implemen	taion Timeline	▼
Title 2:	Certifications and Assurances (required)	Temp.: Housing T	rust Fund Certificates and Assurances	▼
itle 3:	Applicant Financials (required)	Temp.:		7
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#### **Additional Information**



#### **Application Status**

- Multiple users can work on, edit and review application materials.
- CAMS will save the application as <u>Incomplete</u>. Applicant may return repeatedly to CAMS to work on application.
- Please be sure all work on the application is saved in CAMS.
- Once the application is submitted the status will change from Incomplete to <u>Pending</u>.

#### Vibrant Community Initiative (VCI)

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